SENATE BILL 1246

AN ACT

AMENDING SECTION 28-2064, ARIZONA REVISED STATUTES; RELATING TO ELECTRONIC CERTIFICATES OF TITLE.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 28-2064, Arizona Revised Statutes, is amended to read:

28-2064. Electronic certificates of title system; applicability; rules

A. The director may establish a system to require recording of certificate of title information for newly issued, transferred and corrected certificates of title, including perfection and release of security interests, through electronic media in a cost-effective manner in lieu of the submission and maintenance of paper documents as provided in this chapter. The director may contract with an association of new motor vehicle dealers to manage a lien recording system on behalf of the department at no cost to this state.

B. In the process of establishing the system, the director:

1. Shall:
   (a) Establish procedures for issuing and maintaining an electronic certificate of title system that is applicable to all certificate of title transactions performed in this state.
   (b) Develop methods to electronically share information related to applications for certificates of title with law enforcement agencies and entities licensed under this title.

2. MAY NOT PROHIBIT AN AUTHORIZED THIRD PARTY AS DEFINED IN SECTION 28-5100 FROM PRINTING AN ELECTRONIC CERTIFICATE OF TITLE OR A REGISTRATION CARD.

C. Section 28-444, subsection B applies to certificates of title under the system established pursuant to this section.

D. This section does not apply to certificates of title for mobile homes.

E. The director may adopt rules as necessary to implement this section, including the criteria for when the department may issue a paper certificate of title.